

Indiana Long Term Care Insurance Program

Quarter 1-2008 Report

January 1, 2008 through March 31, 2008



Completed on May 19, 2008

QUARTERLY SUMMARY REPORT – INDIANA

	QUARTER 1-2008	TO DATE
Applications Received:	257	50,420
Applications Denied:	69	7,765
Applications Pending & Withdrawn:	N/A	820
Policies Purchased:	779	43,475
Policies Dropped (voluntarily & for unknown reasons*):	123	4,559
Policies Not Taken Up: (dropped within 30 day free look period)	22	2,381
Total Policies In Force (active):	N/A	35,412
Policyholders Who Received Service Payments:	195	573

** Does not include drops reported as deaths, rescissions or exhausted benefits.*

**Indiana Long Term Care Insurance Program:
Statistics for Quarter Ending March 31, 2008
In Comparison To Cumulative Program Statistics**

	Quarter ending 03-31-08	Cumulative as of 03-31-08
Total Policies Purchased	779	43,475
Total Policies Dropped *	<u>193</u> Died 47 (24.4%) Voluntarily 46 (23.8%) Unknown 77 (39.9%) Not Taken Up 22 (11.4%) Exhausted Benefits 1 (0.5%)	<u>8,063</u> Died 990 (12.3%) Voluntarily 2,016 (25%) Unknown 2,543 (31.5%) Not Taken Up 2,381 (29.5%) Converted 78 (1%) Exhausted Benefits 52 (.6%) Rescission 2 (<1%) Non-Forfeiture 1 (0%)
Policies Not Taken Up During 30 Day Free Look		
Policies in Force	N/A	35,412

**Does not include exhausted or rescissions.*

This information was based on quarterly and cumulative policies in force.

Nursing Home and Home Care Policies.	777 (99.7%)	31,951 (90.2%)
Nursing Home Only Policies	2 (0.3%)	3,461 (9.8%)
First Time Purchasers	749 (96.1%)	33,618 (94.9%)
Upgrades or Replacements	30 (3.9%)	1,794 (5.1%)
Individual	724 (92.9%)	33,729 (95.2%)
Group Certificates	0(0%)	290(0.8%)
Organization Sponsored	55 (7.1%)	1,393 (3.9%)
Male	355 (45.6%)	15,306 (43.2%)
Female	424 (54.4%)	20,106 (56.8%)
Married	682 (87.5%)	28,045 (79.2%)
Not Married	91 (11.7%)	7,000 (19.8%)
Unknown	5 (0.6%)	359 (1%)
Civil Union or Domestic Partner	1 (0.1%)	6 (<1%)

INDIANA LONG TERM CARE INSURANCE PROGRAM

Statistical Summary

Period: January 1, 2008 – March 31, 2008

Report Prepared 05-19-2008

The Indiana Long Term Care Insurance Program (ILTCIP) is an innovative public/private partnership between the Indiana Medicaid Program and private long term care insurance companies, designed to help Indiana residents finance their potential long term care without fear of impoverishment. The Program began operation on May 17, 1993, with state approval of the first eight participating insurers. Actual marketing of Indiana Partnership policies by these companies began later that summer.

This report presents information for the quarter ending March 31, 2008, in the form of quarterly-specific and cumulative statistics since the Program's inception.

Highlights from this quarter include the following:

- **Policies purchased during this quarter was 779!**
- **Cumulatively, 50,420 applications have been submitted with over 43,000 policies purchased!**
- **Comprehensive policies continue to be the primary type of policy being purchased. For example, 99.7% of all policies purchased in Q1'08 were comprehensive while only 0.3% were for nursing home only.**
- **Cumulatively, the number of comprehensive policies purchased has increased from 88% of all sales in (Q1'07) to 90% of all sales in (Q1'08).**
- **52% of policies purchased during Q1'08 qualify for Total Asset Protection. Cumulatively, 72% of all policies purchased qualify for Total Asset Protection.**
- **95% of all policies purchased have been by first time purchasers.**
- **The average age of policy purchasers is 60.42. Age range of purchasers is 18 to 89.**
- **Cumulatively, 76% of all policyholders were age 65 or under at the time of purchase.**

Indiana Long Term Care Insurance Program
Fact Sheet For Quarter 1, 2008

PARTICIPATING COMPANIES:

Allianz – Individual	Metropolitan Life - Individual: Tax Qualified
Bankers Life and Casualty – Individual: Tax Qualified	Monumental Life – Individual: Tax Qualified
CUNA Mutual Life Insurance Company	Mutual of Omaha – Individual: Tax Qualified
CNA –Group: Tax Qualified	Penn Treaty Network America - Individual
Genworth – Individual: Tax Qualified	State Farm – Individual: Tax Qualified
John Hancock – Individual: Tax Qualified	Transamerica Occidental:Tax Qualified
Life Investors – Individual: Tax Qualified	United Teachers Associates Insurance Company
MedAmerica – Individual & Group: Tax Qualified	

Eleven companies provided data during Quarter 1, 2008.

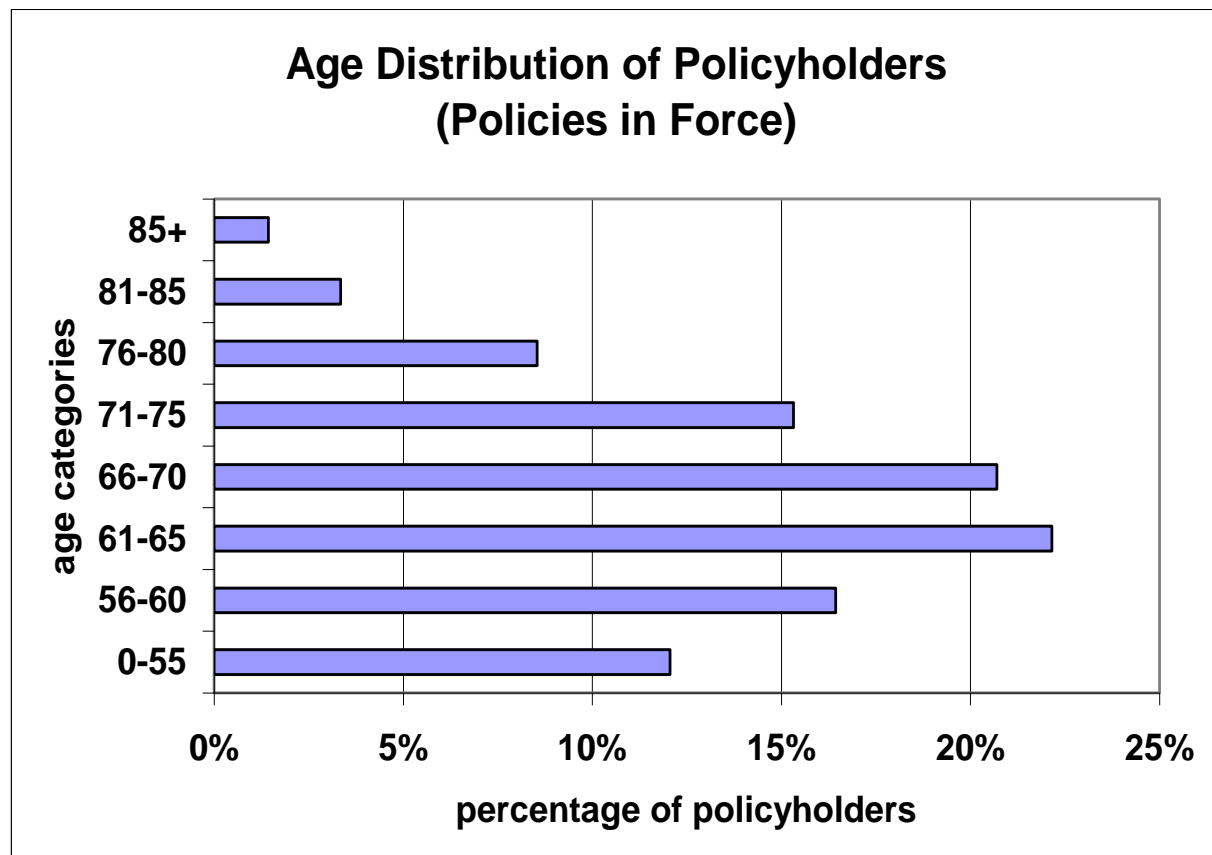
Age Distribution of Partnership Policyholders at Time of Purchase

Age Range Average Age

Policy Category	Low	High	
Individual Policyholders	18	89	60.67
Group Certificate holders	23	73	49.66
Organization Sponsored	19	84	56.58
All Insured	18	89	60.42

Age Distribution of Policyholders (Policies in Force)

Age Category	Percentage of Policyholders
85+	1.44%
81-85	3.35%
76-80	8.54%
71-75	15.32%
66-70	20.70%
61-65	22.15%
56-60	16.44%
0-55	12.06%



Nursing Home Per Diem Amounts (Policies in Force):

Average Amount: \$13310

Mode: \$150.00 (11.59% of all purchasers)

Home Care Per Diem Amounts (Policies in Force):

Average Amount: \$122.47

Mode: \$150.00 (10.77% of all purchasers)

Elimination Periods (Policies in Force):

Nursing Homes:

0 days	1,717 (4.85%)
9 days	1 (<1%)
15 days	48 (0.14%)
20 days	1,061 (3.00%)
30 days	5,365 (15.15%)
45 days	642 (1.81%)
50 days	1,783 (5.04%)
60 days	1,311 (3.70%)
90 days	12,536 (35.40%)
100 days	10,233 (28.90%)
120 days	2 (0.01%)
180 days	711(2.01%)

Home and Community Care:

0 days	12,751 (39.85%)
10 days	3 (0.01%)
14 days	226 (0.71%)
15 days	30 (0.09%)
20 days	873 (2.73%)
30 days	4,126 (12.89%)
45 days	637 (1.99%)
50days	25 (0.08%)
60 days	941 (2.94%)
90 days	8,123 (25.38%)
100 days	3,687 (11.52%)
180 days	577 (1.80%)

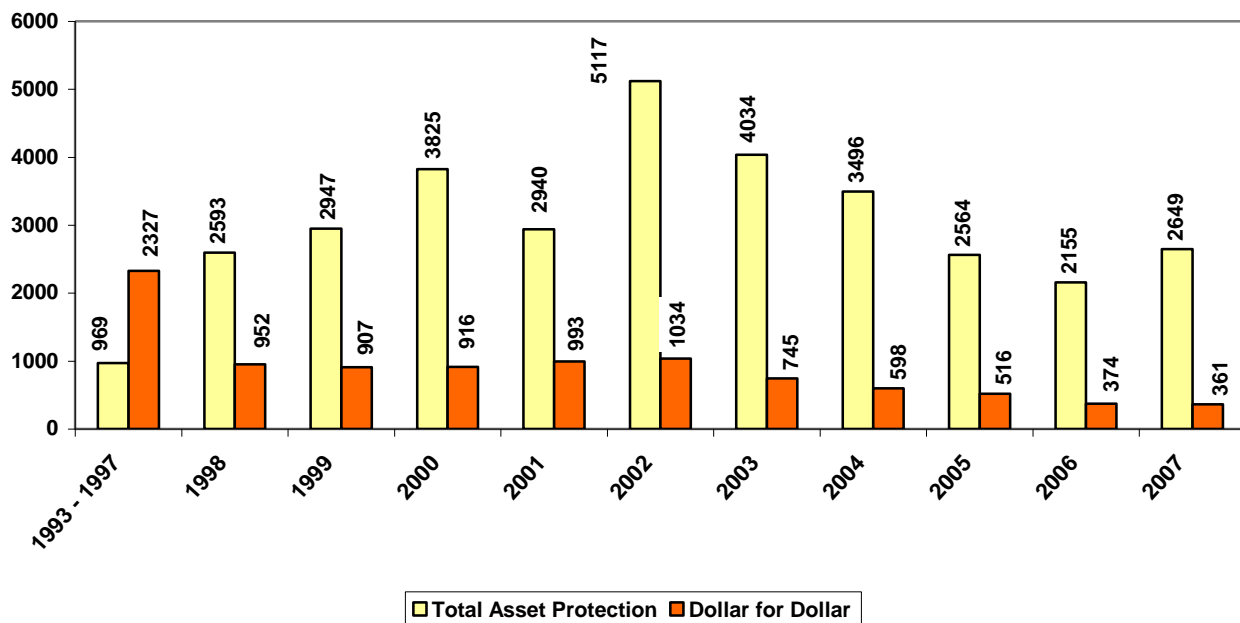
Riders:

Non-Forfeiture	151	(0.35%)
Restoration of Benefits	443	(1.02%)
Spousal Benefit Enhancement	624	(1.44%)
Other Riders	892	(1.44%)

Asset Protection Type at Initial Policy Purchase By Policy Effective Date

Quarter 1-2008	Cumulative at Time of Purchase
Policies Purchased by Quarter	779
Policies Purchased by Cumulative	43,475
Total Asset Protection by Quarter	404
Total Asset Protection by Cumulative	34,124
Dollar for Dollar by Quarter	81
Dollar for Dollar by Cumulative	9,356

Asset Protection Type at Initial Purchase



*Total Asset Protection became available 3-12-98 & grand fathered in those policies with coverage at initial purchase equal to or greater than state-set-dollar amount for 1998.

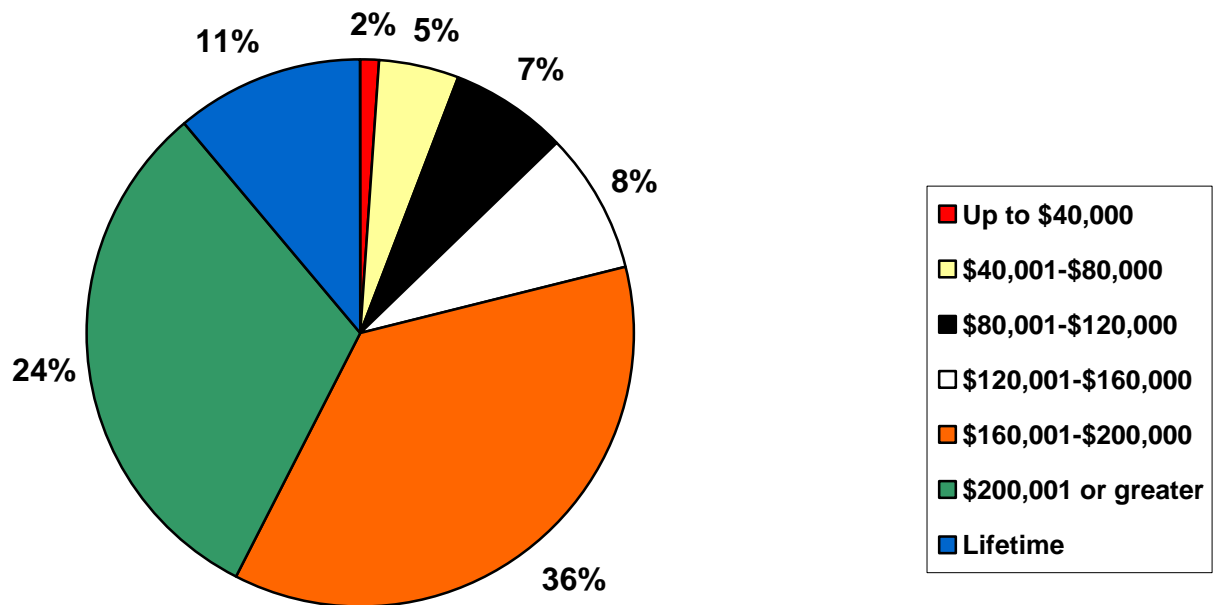
Maximum Policy Amount of Policies in Force:

Range: \$21,977 - \$6,504,300 (plus 3,878 lifetime policies)

Average amount: \$191,067 (not including lifetime policies)

Maximum Benefit Amounts Selected By All Purchasers (Policies in Force)

Maximum Benefit Amount at Time of Purchase	All Purchasers
Up to \$40,000 Approx: (1 yr)	409(1.2%)
\$40,001 - \$80,000 (2 yrs)	1,667 (4.7%)
\$80,001 - \$120,000 (3 yrs)	2,392 (6.8%)
\$120,001 - \$160,000 (4 yrs)	2,996 (8.5%)
\$160,001 - \$200,000 (5 yrs)	12,885 (36.4%)
\$200,001 or greater (6 yrs +) (excluding lifetime)	11,185 (31.6%)
Lifetime Policies	3,878 (11.0%)



Policyholders in Benefit Information as of March 31, 2008

Benefit Status

Number of policyholders, to date, who have received benefit payments.	573
Number of policyholders in benefit as of Quarter 1, 2008.	195
Number of policyholders that received benefits and have died.	170

Asset protection earned by policyholders to date.	\$25,115,231.04
Asset protection earned to date that will not be accessed (policyholders who have died)	\$5,884,533.17

Service Utilization

Type of Service* (other than case management)	% of Total Claimants by Type of Service **
Nursing Home Care	70.37%
Home Health Aide – hourly care	8.15%
Home Health Aide – daily care	10.93%
Attendant Care	0.37%
Other Institutional	0%
Hospital Bed Hold	15.19%
Assisted Living	20.74%
Adult Day Care	2.22%
Personal Care	5.56%
Alternate Level of Care	0.74%

*These categories are not mutually exclusive, therefore, percents shown will not total 100.

**This is the cumulative status of all claimants. The status and percent (%) will change as the claimant's status changes.

CLAIMANT PROFILE
Cumulative Aggregate of All Policyholders Who Used Benefits
As of March 31, 2008

Gender	Female	65.8%
	Male	34.2%
Marital Status	Not Married	44%
	Married	52.2%
	Unknown	4.5%
Average Age At The Time Of Policy Purchase		59.96
Average Age At The Time Of Claim		77.46
Age Range At Time Of Claim	Range =	44 – 97
	Mean =	77.46
	Median =	78
Policy Type Owned:	Nursing Home Only	27.8%
	Nursing Home & Home Care	72.2%

Average time elapsed between purchase date and claim date was 75.84 months (6.49 years)